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Darin H. Okuyama
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Mountain View, CA 94043

April 28, 1995

The Honorable Reed Hundt
1919 M Street, NW
Federal Communications Commission
Washington, DC 20554

FCC MAIL ROOM CC 95-72

Dear Chairman Hundt,

I am writing to express my deep concern over the Federal Communications Commission (FCC) ruling that ISDN subscriber line charges must be billed by channel and not by line. I support Pacific Bell's petition to waive the requirement that raises the ISDN line charge. There are compelling business reasons that are in our direct national interest why I think the FCC should reconsider its ruling or at least grant waivers to the ISDN service providers.

I work for an Internet Service Provider that offers Internet access using ISDN technologies. The FCC ruling will raise ISDN prices in California from 29% to 50%; which will stunt the growth of ISDN and have a profound negative impact on many businesses like the one I work for. Furthermore, it will slow the adoption of ISDN technology and limit the revenues (to the FCC) generated by the line charges -- this is the opposite of what the FCC wants. Soon ISDN technology will be affordable only to a few elite larger businesses and out of reach of small businesses and the homes where it counts the most. The FCC and the Government is facilitating the upgrade of our National Information Infrastructure (NII) *EXCEPT* in one area, to small businesses and the homes -- the "last mile" of the NII is analog and woefully inadequate to support even today's technologies and services available on the Internet (try running a WWW browser with a 9600 baud modem [the average speed today]). Tomorrow's information technologies are even more demanding on this last mile. The FCC ruling will only slow the upgrade of the NII which puts us at a disadvantage to our trading partners in Europe and Asia, because they have long since upgraded their last mile of Information Infrastructure to digital (using ISDN).

It is clearly in our national interest to encourage the quick adoption of digital technologies like ISDN, because it supports the upgrade of our NII; and the only way to do this, with regard to the last mile and the smaller entities at the end of that last mile, is to actually lower prices and not raise them. I strongly urge the FCC to modify its ruling affecting ISDN and in the meantime grant the waivers of Pacific Bell and other similar petitioners.

Sincerely,

Darin Okuyama

5/9/95 (CH)

CC 98-72

Chairman of the FCC
Reed E. Hundt
Washington, D.C.

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FCC MAIL ROOM

Dear Mr. Hundt:

I am writing this letter to you to ask for more information about the (proposed, or by now actual) surcharge increase on ISDN lines from \$3 a month to \$6 dollars a month. I have heard several heated discussions about this issue, from both advocates, and dissenters of the surcharge. The one point that I would like to know is, "What is your exact goal with this surcharge? Is there a problem that you are trying to rectify? What are you trying to accomplish?" I have not made up my mind yet on this issue, and would like to be informed of it's (the surcharge's) purpose.

I did some math, and found the increase in revenue quite substantial. Let's say, that over the next 2 years, the number of ISDN "Lines", not channels, reaches 100 million. (Between corporations, and the availability to the home coupled with the dramatic increase in Internet access, this seems reasonable). Now, with an increase of \$3 per line per month, the increase in surcharge revenues to the FCC will total \$300 million per month. This equates to \$3.6 billion a year. While this is nowhere near the federal deficit, it is quite a substantial increase for an individual governing body like the FCC.

There are two scenarios circulating

- 1: MCI and possibly other long distance providers have manipulated the FCC, to increase their profitability, by increasing SLCs and then decreasing the per long distance minute charges that the long distance carriers collected, that were in turn used to subsidise Local Operators. The odds that the savings, from the long distance companies, would be passed on to the consumer are around 0%; Let's be realistic, to use a worn out cliché. After all how many people really know what's going on, and how many people/organizations appeared for the public debate on this issue? In the end the consumer will pay more.
- 2: For reasons known only to the FCC, and without any outside influence, they have, in accordance with some law, or ruling, had to increase the rates, because they had to stay in compliance with the law.

I conclude by restating the I would like **DETAILED** information about this surcharge, and what will be done with the money. That is called "TAXATION WITH REPRESENTATION", and is one of the principals upon which this country was built. I will again state that I have no position in this yet, but would like to reach a decision. based upon facts and knowledge.

It is my greatest hope to find that rare instance in which a governing body is not engaged in a scandal or unethical behavior, despite the negative press. If however there have been improprieties, then shame on you, I have no respect for you, and I will contact my congressman. Please show me the facts and numbers.

Sincerely,


Dante Ventresca